

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that Engrossed Senate Bill 274 be amended to read as follows:

- 1 Page 1, between the enacting clause and line 1, begin a new
- 2 paragraph and insert:
- 3 "SECTION 1. IC 6-1.1-3-23, AS ADDED BY P.L.120-2003,
- 4 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
- 5 UPON PASSAGE]: Sec. 23. (a) For purposes of this section:
- 6 (1) "adjusted cost" refers to the adjusted cost established in 50
- 7 IAC 4.2-4-4 (as in effect on January 1, 2003);
- 8 (2) "depreciable personal property" has the meaning set forth in 50
- 9 IAC 4.2-4-1 (as in effect on January 1, 2003);
- 10 (3) "integrated steel mill" means a person that produces steel by
- 11 processing iron ore and other raw materials in a blast furnace;
- 12 (4) "oil refinery/petrochemical company" means a person that
- 13 produces a variety of petroleum products by processing an annual
- 14 average of at least one hundred thousand (100,000) barrels of
- 15 crude oil per day;
- 16 (5) "permanently retired depreciable personal property" has the
- 17 meaning set forth in 50 IAC 4.2-4-3 (as in effect on January 1,
- 18 2003);
- 19 (6) "pool" refers to a pool established in 50 IAC 4.2-4-5(a) (as in
- 20 effect on January 1, 2003);
- 21 (7) "special integrated steel mill or oil refinery/petrochemical
- 22 equipment" means depreciable personal property, other than
- 23 special tools and permanently retired depreciable personal
- 24 property:

(A) that:

(i) is owned, leased, or used by an integrated steel mill or an entity that is at least fifty percent (50%) owned by an affiliate of an integrated steel mill; and

(ii) falls within Asset Class 33.4 as set forth in IRS Rev. Proc. 87-56, 1987-2, C.B. 647; or

(B) that:

(i) is owned, leased, or used as an integrated part of an oil refinery/petrochemical company or its affiliate; and

(ii) falls within Asset Class 13.3 or 28.0 as set forth in IRS Rev. Proc. 87-56, 1987-2, C.B. 647;

(8) "special tools" has the meaning set forth in 50 IAC 4.2-6-2 (as in effect on January 1, 2003); and

(9) "year of acquisition" refers to the year of acquisition determined under 50 IAC 4.2-4-6 (as in effect on January 1, 2003).

(b) Notwithstanding 50 IAC 4.2-4-4, 50 IAC 4.2-4-6, and 50 IAC 4.2-4-7, **and except as provided in subsection (h)**, a taxpayer may elect to calculate the true tax value of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment by multiplying the adjusted cost of that equipment by the percentage set forth in the following table:

Year of Acquisition	Percentage
1	40%
2	56%
3	42%
4	32%
5	24%
6	18%
7	15%
8 and older	10%

(c) The department of local government finance shall designate the table under subsection (b) as "Pool No. 5" on the business personal property tax return.

(d) The percentage factors in the table under subsection (b) automatically reflect all adjustments for depreciation and obsolescence, including abnormal obsolescence, for special integrated steel mill or oil refinery/petrochemical equipment. The equipment is entitled to all exemptions, credits, and deductions for which it qualifies.

(e) The minimum valuation limitations under 50 IAC 4.2-4-9 do not apply to special integrated steel mill or oil refinery/petrochemical equipment valued under this section. The value of the equipment is not included in the calculation of that minimum valuation limitation for the taxpayer's other assessable depreciable personal property in the taxing district.

(f) An election to value special integrated steel mill or oil

refinery/petrochemical equipment under this section:

(1) must be made by reporting the equipment under this section on a business personal property tax return;

(2) applies to all of the taxpayer's special integrated steel mill or oil refinery/petrochemical equipment located in the state (whether owned or leased, or used as an integrated part of the equipment); and

(3) is binding on the taxpayer for the assessment date for which the election is made.

The department of local government finance shall prescribe the forms to make the election beginning with the March 1, 2003, assessment date. Any special integrated steel mill or oil refinery/petrochemical equipment acquired by a taxpayer that has made an election under this section is valued under this section.

(g) If fifty percent (50%) or more of the adjusted cost of a taxpayer's property that would, notwithstanding this section, be reported in a pool other than Pool No. 5 is attributable to special integrated steel mill or oil refinery/petrochemical equipment, the taxpayer may elect to calculate the true tax value of all of that property as special integrated steel mill or oil refinery/petrochemical equipment. The true tax value of property for which an election is made under this subsection is calculated under subsections (b) through (f).

(h) A taxpayer may not make an election under subsection (b) if the taxpayer displaces jobs involving production or manufacturing at or related to the special integrated steel mill or oil refinery/petrochemical equipment from Indiana to another country during the calendar year immediately preceding the assessment date for which the election would be made. If a taxpayer makes an election under subsection (b) and displaces jobs involving production or manufacturing at or related to the special integrated steel mill or oil refinery/petrochemical equipment from Indiana to another country while the election is in effect, the election is invalid for the assessment date for which the election is made. This subsection does not apply to a taxpayer that is a party, or that has employees in Indiana who are a party,

t o a l a b o r

1 **agreement under which the displacement of jobs from Indiana to**
2 **another country is permitted."**

3 Page 2, after line 32, begin a new paragraph and insert:
4 **"SECTION 2. An emergency is declared for this act."**
5 Renumber all SECTIONS consecutively.
 (Reference is to ESB 274 as printed February 13, 2004.)

Representative Aguilera